

**BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

Application of:)
)
Peerless Network of South Carolina, LLC)
For a Certificate of Public Convenience and Necessity To)
Provide Resold and Facilities-based Local Exchange and)
Long Distance Telecommunications Services and For)
Flexible Regulation of its Local Exchange Services and)
Alternative Regulation of its Long Distance Service)
Offerings Within the State of South Carolina)

**MOTION FOR PROTECTIVE TREATMENT AND
BASIS FOR FILING EXHIBIT AS TRADE SECRET**

Peerless Network of South Carolina, LLC ("Applicant"), by its attorneys and pursuant to S.C. Code Ann. § 39-8-10, et seq., Commission Order No. 2005-226, and all other applicable rules, statutes and regulations, hereby files this Motion for Protective Treatment ("Motion"). The Applicant seeks protective treatment by the Public Service Commission of South Carolina ("Commission") of certain commercially-sensitive financial statements attached as Exhibit C to the Application for Authority to Provide Facilities-Based and Resold Local Exchange and Interexchange Telecommunications Services throughout the State of South Carolina ("Application"). Because this Motion is an inseparable part of the Application, it is being filed concurrently therewith.

In support of this Motion, the Applicant provides the following:

1. The exact legal name, address and telephone number of the Applicant is:

Peerless Network of South Carolina, LLC
222 Riverside Plaza
Suite 2730
Chicago, IL 60606
Telephone: (312) 506-0920
Facsimile: (312) 506-0931
Toll Free: (888) 380-2721
Website: www.peerlessnetwork.com

2. Correspondence or communications regarding this Motion should be addressed to:

Bonnie D. Shealy
1901 Main Street, Suite 1200
Post Office Box 944
Columbia, South Carolina 29202
Telephone: 803.227.1102
Facsimile: 803.252-0724
bshealy@robinsonlaw.com

with a copy to:

Patrick D. Crocker, Attorney
Crocker & Crocker
107 W Michigan Avenue, 4th Floor
Kalamazoo, MI 49007
Telephone: (269) 381-8893
Facsimile: (269) 381-4855
Email: patrick@crockerlawfirm.com

I. Description of Confidential Information.

3. The Application requires Applicant to disclose evidence of financial fitness through the submission of documentation of its financial resources and ability to provide the requested service. Since Applicant is a wholly-owned of Peerless Network, Inc., the Applicant submits copies of Peerless Network, Inc.'s financial statements to conform to this requirement. These documents contain highly confidential and strictly proprietary information, the public disclosure of which may result in Direct, immediate and substantial harm to the competitive position of Peerless Network, Inc. and the Application in South Carolina and elsewhere.

II. Grounds for Claim of Confidentiality.

4. Applicant and Peerless Network, Inc. are presently immune from a legal obligation to prepare or submit financial statements, or any other financial information, to any public entity. As such, statements attached as Exhibit C to the Application are not readily available to persons external to Applicant and Peerless Network, Inc.

5. Because the financial statements submitted by Applicant in support of the Application contain confidential and commercially-sensitive information from which its competitors may derive economic value, Applicant seeks to protect such material from public disclosure. Applicant and Peerless Network, Inc. derive independent economic value from the fact that significant, detailed and proprietary information regarding their financial structure and current financing activities is unknown to its competitors. As such, the financial statements are a “trade secret” as that term is used in South Carolina Trade Secrets Act. S.C. Code Section 39-8-20(5). Given this fact, the disclosure of this information could provide existing and potential competitors, including local exchange and interexchange carriers in South Carolina, as well as in other states in which Applicant provides or intends to provide telecommunications service, with an unfair and undeserved competitive advantage.

6. Applicant clarifies herein that its request for protection applies only to the financial statements attached as Exhibit C to the Application. Applicant is not seeking protection of any type for those reports Applicant is required to file with the Office of Regulatory Staff (“ORS”) should the relief sought in the Application be granted: the Annual Report Form, Gross Receipts Report, and Universal Service Fund Worksheet.

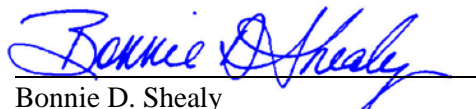
CONCLUSION

7. The financial information included in support of Applicant's Application, for which Confidential Treatment is sought, is both proprietary and competitively sensitive. The substantial and direct harm that could be caused to Applicant and Peerless Network, Inc. as a result of disclosure is real and not speculative. Moreover, to date, no other jurisdiction or governmental agency has required Applicant or Peerless Network, Inc. to make this information available to the public. For all these reasons, the projected financial statements attached as Exhibit C to the Application should be protected from public disclosure the Commission.

WHEREFORE, Peerless Network of South Carolina, LLC respectfully request that the South Carolina Public Service Commission grant this Motion for Protective Treatment with respect to the financial statements attached as Exhibit C to the Application of Peerless Network of South Carolina, LLC to Provide Facilities-based and Resold Local Exchange and Interexchange Telecommunications Services throughout the State of South Carolina and filed under seal as Confidential in this proceeding.

Dated this 27th day of December, 2012

Robinson, McFadden & Moore, P.C.



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Attorneys for Peerless Network of South Carolina, LLC

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EXHIBIT C

Financial Statements

Peerless Network of South Carolina, LLC is a wholly owned subsidiary of Peerless Network, Inc. ("PEERLESS"). Accordingly, the financial statements of PEERLESS are being filed under separate cover.

These documents demonstrate the company's financial ability to provide the proposed services. PEERLESS is a privately-held company and as such its financial statements are not made public, but rather are considered confidential and proprietary information. These financial statements are therefore submitted under seal. PEERLESS respectfully requests that this confidential information not be provided to any party other than members of staff who need to review the material for evaluation of applicant's fitness to provide service.

FILED UNDER SEAL

**CONFIDENTIAL & PROPRIETARY
FILED UNDER SEAL**